

Governor Carney Presents Fiscal Year 2021 Recommended Budget

Plan includes important investments in education, economy, and environment, while building new reserves

DOVER, Del. – Governor John Carney on Thursday presented his [Fiscal Year 2021 Recommended Budget](#), sending the General Assembly a financial plan that will make important investments to strengthen our economy, improve public schools for all Delaware children, and protect our environment – while setting aside additional reserves.

“We presented a responsible budget plan today that makes investments to improve our economy, strengthen our public schools, and protect Delaware’s unique quality of life,” said Governor Carney. “This plan makes significant new investments to clean up Delaware’s drinking water and waterways. We are also investing in new school construction, and in classrooms throughout the state – not only because it’s the right thing to do, but because the future of our state depends on the success of our children. And we’re continuing to make capital investments to modernize our roads, bridges, and public transit. But we are also we continuing our responsible budget plan, which sets aside \$161.5 million in savings to help prepare for years when our revenue trends downward. This is a balanced, responsible plan that I look forward to discussing with members of the General Assembly.”

[Download](#) the budget presentation and follow along.

Key proposals in Governor Carney's financial plan:

Historic Priority Investments

Clean Water: \$50 million to establish a Clean Water Trust account to clean up Delaware's drinking water and waterways. Includes increased funding for low-income and underserved communities. *The recommendation includes the following:*

- \$22.5 million for the Drinking Water State Revolving Fund
- \$22.5 million for the Clean Water State Revolving Fund
- \$5 million for Resource, Conservation and Development

Wilmington Schools Initiative: \$50 million to support children in the City of Wilmington who need help the most. *This funding will build upon previous year's appropriations and will be directed toward the following:*

- Building a new state-of-the-art school on the East Side of Wilmington
- Extensive renovations at Stubbs Elementary and Bayard Middle Schools
- Establishing a dual-generation center at Stubbs Elementary school to serve students and families
- Establishing a workforce training center for the Gulftainer/ILA partnership at Palmer Elementary

Strong and Growing Economy: \$50 million to ensure Delaware remains competitive through modernizing infrastructure, focusing on small businesses and fostering a culture of innovation and entrepreneurship. *Recommended funding includes:*

- \$20 million for the Delaware Strategic Fund to further economic development and small business EDGE Grants
- \$10 million to expand Graduation Laboratory Space to drive bio-tech innovation and entrepreneurship
- \$10 million for Site Readiness so businesses have options to locate and expand in Delaware

- \$10 million for the Transportation Infrastructure Investment Fund to improve public infrastructure to support job-creating economic development projects
- Capital Transportation Plan: \$4.5 billion through 2026 to modernize Delaware's transportation system

Improving Our Schools for All Delaware Children

Opportunity Funding: Second year of a three-year commitment dedicating \$75 million for English learners and low-income students, and mental health supports

Increasing Access to Pre-K:

- \$2 million to provide 155 new quality child care seats
- \$3 million for Early Childhood Assistance Program capacity building
- Goal: increase access by 50% in three years

Investing in Educators: \$29 million – 2% pay increase and steps for public school educators

Investing in Schools:

- \$183.7 million – School construction and renovations in districts across the state
- \$36.5 million – Current year growth and projected school year 2020–2021 enrollment growth
- \$4.6 million – School Technology infrastructure

Partnering with Higher Education:

\$20 million – Funding for the Higher Education Economic Development Investment Fund to supplement investments that Delaware's institutes of higher education are making to improve job growth and economic development in the State

Protecting Our Quality of Life

Open Space and Farmland Preservation: \$20 million to continue investments to preserve open space and farmland across

Delaware

Affordable Housing and Strong Neighborhoods: \$14 million to clean up and restore abandoned properties, attack blight, and provide options for all Delawareans to live safely in communities

Downtown Development Districts: \$5.6 million to continue to encourage private investment in our towns and cities

Public Safety Communications: \$8.3 million to enhance communication systems

Security in DOC Facilities: \$4 million for security cameras

Municipal Street Aid: \$4 million to improve local roads

Long-Term Financial Sustainability

Based on Executive Order 21, the amount available for the operating budget is calculated based on an index relative to the overall economy to help reduce budget volatility. Any revenue above the index will be directed to one-time investments and savings. Governor Carney has recommended setting aside \$161.5 million over and above constitutional limits on appropriations, and limiting operating budget growth to 3.99 percent. This is less than the appropriation benchmark calculated by the Delaware Economic and Financial Advisory Council.

Investing in our Workforce

Investing in State Employees: 2% pay increase for State employees

Continued support of Paid Parental Leave: Over 200 employees have taken advantage of the benefit to spend time with their newborn babies and young adopted children

Investing in our Workplaces:

- \$17.5 million for Kent & Sussex Family Court facilities
- \$7.5 million for deferred maintenance for state buildings
- \$2.8 million for Carvel State Office Building

improvements and renovations

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